

**ROBIN LEHNER OPPORTUNITY ANALYSIS**

Amount of Loan Request: \$6.5M
Proposed Borrower: Robin Lehner
Date: May 12, 2021

Introduction / Purpose of Requested Facility:

The Borrower is requesting \$6.5M as an advance against a 5-year \$25M NHL Contract with the Vegas Golden Knights with \pm \$22.3M remaining. The primary use of the funds will be to restructure and consolidate existing debt. The use of funds on the existing debt was the down payment for a property located at 9501 Balatta Canyon CT, Las Vegas, NV 89144 ("Subject Property") and for investment capital into the Borrower's off-ice business ventures.

Below is a further breakdown and discussion of how the funds will be allocated:

Gross Loan Amount	\$6,500,000
Lender Origination Fee (Est)	(\$260,000)
Sure Sports Underwriting Fee (Est)	(\$130,000)
Payoff Existing Note #1 (Est)	(\$4,232,994)
Paydown Existing Note #2 (Est)	(\$1,730,450)
Death & Disgrace Insurance (Est)	(\$135,702)
Legal/Closing Costs (Est)	(\$10,854)
<i>Net to be disbursed to Borrower (Est)</i>	<i>\$0</i>

- The Lender will be provided with a 4% origination fee on the Gross Loan Amount.
- \$130k will be released to Sure Sports as payment of the underwriting fee.
- The payoff of the existing notes totals \pm \$5.9M.
- Approximately \$135k of the proposed loan proceeds will be used to purchase a Death & Disgrace Insurance policy.
- An estimated \$10k in Legal/Closing costs will be billed by Sure Sports and payable out of the loan proceeds.

Repayment Sources:

- 1) Bank takeout based on NHL Contract
- 2) Cash Flow from newly signed NHL Contract



Contract Analysis:

In October 2020, the Borrower signed a 5-year \$25M Fully Guaranteed NHL Contract with the Vegas Golden Knights. Per the NHL Collective Bargaining Agreement dated July 10, 2020, 10% (\$300k of \$3M) of the Borrower's total compensation for the 2020-21 NHL League Year shall be deferred and paid in equal installments on October 15, 2022, October 15, 2023, and October 15, 2024, respectively. The below analysis shows the Borrower will have ±\$22.3M remaining after the 2020-21 NHL season.

NHL Season	Base Salary	Signing Bonus	Total
2020-21	\$900,000	\$1,800,000	\$2,700,000
Received to Date	\$900,000	\$1,800,000	\$2,700,000
2021-22	\$5,000,000	\$0	\$5,000,000
2022-23	\$6,533,333	\$66,667	\$6,600,000
2023-24	\$6,033,333	\$66,667	\$6,100,000
2024-25	\$4,533,333	\$66,667	\$4,600,000
Total Remaining	\$22,100,000	\$200,000	\$22,300,000

Collateral Analysis:

The below analysis shows based on the \$22.3M remaining on the Borrower's NHL Contract, the Borrower is still under the Sure Sports recommended 30% LTCg after the 2020-21 NHL Season.

Facility Type	Proposed Comm.	Collateral Type	Date of Valuation	Eligible Value	Max Rate	Lendable Value	Excess/ (Deficit)	<u>Actual Adv. %</u>
Term Loan	\$6,500,000	Guaranteed NHL Contract	6/15/2021	\$22,300,000	30%	\$6,690,000	\$190,000	29%

Proposed Repayment Schedule:

The below repayment schedule is based on an 12% annual interest rate and allows the Borrower time to move the debt into a Sure Sports bank line while deferring additional payments to the remainder of his Fully Guaranteed NHL Contract.

Payment	Date	Interest	Principal	Total
1	15-Jun-21	\$0	\$0	\$0
2	15-Jul-21	\$0	\$0	\$0
3	15-Aug-21	\$0	\$0	\$0
4	15-Sep-21	\$0	\$0	\$0
5	15-Oct-21	\$0	\$0	\$0
6	15-Nov-21	\$399,881	\$6,500,000	\$6,899,881
		\$399,881	\$6,500,000	\$6,899,881

Discussion of Other Current Liabilities:

This facility will wrap up all of the Borrower's existing contract-based debt. The only additional outstanding debt will be a \$1.75M private note with a first position lien on the subject property. The balance of this note is 65% LTV of the purchase price and should be rolled into a mortgage within the next 60-90 days.



Best-Case / Projected Scenario: 30-60 Day Loan & Repayment via Bank Refinance based on NHL Contract

The best-case and projected scenario is that the Borrower secures additional financing through the Sure Sports bank line based on his fully guaranteed NHL Contract within 30-60 days. This is the projected scenario based on the expected LOI from Sure Sports existing bank affiliate.

Period	Dates	Cash Flows
0	18-May-21	(\$6,240,000)
1	2-Jul-21	\$6,565,000
Total Deal Income		\$325,000

IRR % Return	51%
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# of days outstanding	45
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Reconciliation Note	
Gross Loan Amount	\$6,500,000
Less Lender Origination Fee	(\$260,000)
Advance Amount	\$6,240,000

Worst-Case Scenario: Loan goes to Term and is Refinanced Privately

The worst-case scenario assumes the Borrower does not obtain bank financing and refinances privately to term out over his remaining NHL Contract.

Period	Dates	Cash Flows
0	18-May-21	(\$6,240,000)
1	15-Nov-21	\$6,899,881
Total Deal Income		\$659,881

IRR % Return	22%
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# of days outstanding	181
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Reconciliation Note	
Gross Loan Amount	\$6,500,000
Less Lender Origination Fee	(\$260,000)
Advance Amount	\$6,240,000

Based on the Best-Case and Worst-Case scenarios described above, investors can expect a return in excess of 22%.